IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO.774 OF 2004

The Commissioner of Income Tax .. Appellant.

V/s.

Shri Chhatrapati Rajaram SSK Ltd. .. Respondent.

Mr.B.M. Chatterjee with Mrs.P.P. Bhosale i/by Pankaj Kapoor for the appellant.

Mr.S.N. Inamdar with Mr.A.K. Jasani for the respondent.

CORAM : F.I. REBELLO &
J.P. DEVADHAR, JJ.

DATED : 16TH JULY, 2007.

P.C. :

1. Admit. Heard forthwith.

2. The issue in this appeal is covered by the judgment of the Supreme Court in the case of Siddheshwar Sahakari Sakhar Karkhana Limited V/s. CIT and CIT V/s. Shri Chatrapati Sahakari Sakhar Karkhana Limited reported in [2004] 270 ITR 1 (SC) as followed by this Court in the case of CIT V/s. Malegaon Sahakari Sakhar Karkhana Limited reported in [2005] 279 ITR 19 (Bom).

3. The question of law as formulated in this appeal reads as under :

Whether on the facts and in the circumstances of the case and in law, the Tribunal, relying on the decision of Chhatrapati SSK Ltd. (245 ITR 498)(Bom) was right in deleting the following addition by holding that the fund collected by the assessee society out of the sugar cane purchase price payable to the cane-growers is not trading receipts of the assessee ?

i] Cane Development Fund Rs.4,65,566/-

4. In view of the aforesaid judgments, the appeal is remanded back to the Tribunal for denovo consideration in accordance with law.

5. Impugned order is set aside. The appeal is allowed. There shall be no order as to costs.

(F.I. REBELLO, J.)

(J.P. DEVADHAR, J.)